

**NOTICE OF PUBLIC HEARING WITH RESPECT TO THE REISSUANCE OF BONDS ISSUED
BY THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK FOR
THE PURPOSE OF FINANCING AND REFINANCING FACILITIES FOR THE BENEFIT OF
THE ST. MARGARET OF SCOTLAND EPISCOPAL SCHOOL**

NOTICE IS HEREBY GIVEN that at 10:00 a.m. on October 26, 2010, or as soon thereafter as the matter may be heard, at 980 9th Street, Suite 900, Conference Room, Sacramento, California 95814, the California Infrastructure and Economic Development Bank (the "Issuer") will conduct a public hearing (the "Public Hearing") at which the Issuer will hear and consider information concerning the amendment of certain documents to, among other matters, add a new interest mode, replace the direct-pay letter of credit and provide a confirming letter of credit in connection with those bonds issued by the Issuer on January 31, 2008 in an original principal amount of Twenty-Five Million Dollars (\$25,000,000) (the "Bonds") for the benefit of the St. Margaret of Scotland Episcopal School, a California nonprofit public benefit corporation (the "Borrower"). The proceeds of the Bonds were loaned by the Issuer to the Borrower pursuant to a loan agreement (the "Loan Agreement") and were applied by the Borrower to (1) finance and refinance the costs of acquisition, construction, improvement, renovation, furnishing, equipping, of certain facilities (collectively, the "Project") operated and to be operated by St. Margaret's Episcopal School (the "School"), including a performing arts education center, administrative office building, athletic fields, classroom buildings, gymnasium and other related and appurtenant facilities located at the School's campus, with addresses of 31641 La Novia, San Juan Capistrano, California 92675, 27461 and 27481 Calle Arroyo, San Juan Capistrano, California 92675 and 31732 Rancho Viejo Road, San Juan Capistrano, California 92675, and (2) payment of costs of issuance in connection with the Bonds. The School is owned and/or operated by the Borrower, and the Project is owned by either the Borrower or the Protestant Episcopal Church in the Diocese of Los Angeles and of the Protestant Episcopal Church in the United States of America, both of which are organizations described in Section 501(c)(3) of the Code. The Bonds will be paid entirely from repayments by the Borrower under the Loan Agreement. Neither the faith and credit nor the taxing power of the Issuer, the State of California (the "State") or any other political corporation, subdivision or agency of the State is pledged to the repayment of the principal or purchase price of, premium, if any, or interest on, the Bonds, nor shall the State or any other political corporation, subdivision or agency of the State, other than the Issuer, be liable or obligated to pay the principal or purchase price of, premium, if any, or interest on, the Bonds. The Issuer's obligation to pay the principal or purchase price of, premium, if any, or interest on, the Bonds is limited solely to funds provided by the Borrower pursuant to the Loan Agreement and from other sources specified in the bond indenture relating to the Bonds.

The Public Hearing is intended to comply with the public approval requirements of Section 147(f) of the Internal Revenue Code of 1986.

Those wishing to comment on the nature of the Project and the reissuance of the Bonds may either appear in person at the time and place indicate above or submit written comments, which must be received prior to the Public Hearing, to the Issuer c/o Ms. Roma Cristia-Plant, Assistant Executive Director, California Infrastructure and Economic Development Bank, 980 9th Street, Suite 900, Sacramento, California 95814.

Date: October 11, 2010

CALIFORNIA INFRASTRUCTURE AND ECONOMIC
DEVELOPMENT BANK

By: /s/ Roma Cristia-Plant
Assistant Executive Director